

THE LAKE FOREST COMMUNITY

ROUND ROCK, TEXAS

LAKE FOREST I, II AND III

AMENDED AND RESTATED

DECLARATION OF COVENANTS,

CONDITIONS AND RESTRICTIONS

DEVELOPED BY:

BON TERRE RESIDENTIAL IN ASSOCIATION WITH JOEL H. ROBUCK

AMENDED AND RESTATED NOVEMBER, 2004

LAKE FOREST COMMUNITY

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (the "Declaration"), is executed by Bon Terre-B, Ltd., a Texas limited partnership ("Declarant").

RECITALS:

A. Declarant has the authority to amend this Declaration under authority granted by Declaration Sections 7.12 and 7.14.

B. Declarant intends for the Phase I Property, the Phase II Property and the Phase III Property to be developed as a single-family residential subdivision (the "Subdivision").

C. Declarant desires to now establish covenants, conditions and restrictions upon the Phase I Property and each and every Lot contained therein, in order to establish a general plan for the development of the Phase I Property.

D. Declarant desires to establish Homeowners Association Lots and easements on, over and across portions of the Phase I Property for the mutual benefit of all future Owners of Lots within the Phase I Property.

E. Declarant further desires to create a homeowners association (i) to preserve, operate and maintain the HOA Lots, (ii) to administer and enforce these covenants, conditions and restrictions, (iii) to collect and disburse funds pursuant to the assessments and charges created in this Declaration and (iv) to perform such other acts as shall generally benefit all of the Property hereinafter described.

F. Declarant further desires to provide for the eventual annexation of the Phase II Property and the Phase III Property to the property covered by this Declaration.

NOW, THEREFORE, Declarant hereby covenants, agrees and declares that (a) the Property shall be held, sold, transferred and conveyed subject to the easements, covenants, conditions and restrictions set forth in this Declaration; and (b) these covenants, conditions, restrictions and easements shall run with the land in the Property and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of each Owner of all or a part of the Property. This Declaration amends, supercedes, and totally replaces the previously-filed Declaration and Declaration Amendments.

ARTICLE I

DEFINITIONS

Capitalized terms used in this Declaration and not defined elsewhere herein shall have the meanings assigned to them in this Article I.

Section 1.1 "Articles" shall mean and refer to the Articles of Incorporation of the Association as the same may from time to time be duly amended.

Section 1.2 "Assessments" shall mean Regular Assessments and Special Assessments as defined below:

(a) "Regular Assessment" shall mean and refer to the amount assessed to and to be paid by each Owner to the Association for that Owner's portion of the HOA Expenses.

(b) "Special Assessment" shall mean (i) a charge against a particular Owner and such Owner's Lot, directly attributable to the Owner, equal to the cost incurred by the Association for corrective action performed and attorneys' fees and other charges payable by such Owner pursuant to the provisions of this Declaration, or (ii) a charge against each Owner and such Owner's Lot equal to such Lot's portion of the cost to the Association for increased operating or maintenance expenses or costs or for installation, construction or reconstruction of any Common Areas or any capital improvement located thereon which the Association may from time to time authorize.

Section 1.3 "Association" shall mean and refer to LAKE FOREST COMMUNITY HOMEOWNERS ASSOCIATION, INC., a Texas non-profit corporation, its successors and assigns.

Section 1.4 "Board" shall mean and refer to the Board of Directors of the Association.

Section 1.5 "Bylaws" shall mean and refer to the Bylaws of the Association as the same may from time to time be duly amended.

Section 1.6 "City" shall mean the City of Round Rock, Texas.

Section 1.7 "Committee" shall mean and refer to the Architectural Control Committee for the Property, which Committee shall consist of at least one (1) but not more than three (3) members at all times, all of whom shall be appointed as provided in Section 5.6 herein.

Section 1.8 "FHA" shall mean and refer to the Federal Housing Authority.

Section 1.9 "Final Plat" shall mean and refer to the final plats of the Property approved by the City of Round Rock and filed by Declarant in the Real Property Records of Williamson County, Texas.

Section 1.10 "HOA Expense" shall mean and refer to any and all expenses incurred or to be incurred by the Association in connection with the ownership, construction, maintenance, preservation and operation of the HOA Lots, including the Association's administrative costs incurred in connection therewith, and any other expenses incurred by the Association in the furtherance of its purposes or as prescribed by the Articles and Bylaws.

Section 1.11 "HOA Lots" or "Common Area" shall mean and refer to all real property and all easements, licenses, leaseholds, rights, rights-of-way and other interests in real property, if any, and the improvements thereon, within the Property which have not been separately platted as a Lot on which a Residence will be constructed or dedicated to the City or another governmental authority, such "HOA Lots" to include, without limitation, the real property described as HOA Lot on the Final Plat of the Phase I Property and all recreational facilities and related improvements situated thereon; provided, however, additional property constituting a portion of the Phase II Property and the Phase III Property shall be annexed into the HOA Lots by Declarant as provided in Section 7.13.

Section 1.12 "Lot" shall mean and refer to each lot platted on the Property.

Section 1.13 "Masonry" shall mean and refer to brick, brick veneer, stone, stone veneer, stucco or other masonry material approved by the Committee.

Section 1.14 "Member" shall mean and refer to each person and entity, which is a member of the Association as provided for in Section 2.2 hereof.

Section 1.15 "Owner" shall mean and refer to the record owner, whether one or more persons or entities (including builders and contract sellers), of the fee simple title to a Lot, but not including those having an interest merely as security for the performance of an obligation.

Section 1.16 "Phase I Property" shall mean and refer to that certain tract of land situated in Williamson County, Texas described in the attached Exhibit "A".

Section 1.17 "Phase II and Phase III Property" shall mean and refer to that certain tract of land situated in Williamson County, Texas described in the attached Exhibit "B".

Section 1.18 "Property" shall initially mean and refer to the Phase I Property and, subsequent to the annexation thereof as provided in Section 7.13 of this Declaration, each annexed portion of the Phase II Property, and the Phase III Property.

Section 1.19 "Residence" shall mean and refer to any detached single-family residence constructed upon a Lot.

Section 1.20 "VA" shall mean and refer to the Veterans Administration.

Section 1.21 "Village I Property" shall mean the following Phase I Property Lots, as shown on the Final Plat:

Block and Lot

1. Block F, Lots 1-67
2. Block G, Lots 1-24
3. Block H, Lots 1-24

Section 1.22 "Village II Property" shall mean the following Phase I Property Lots, as shown on the Final Plat:

Block and Lot

1. Block C, Lots 2-22
2. Block D, Lots 1-40
3. Block E, Lots 1-30

Section 1.23 "Village III Property" shall mean the following Phase I Property Lots, as shown on the Final Plat:

Block and Lot

1. Block A, Lots 2-27
2. Block B, Lots 2-11

ARTICLE II

ASSOCIATION

Section 2.1 The Association. The Declarant shall charter the Association under the Texas Non-Profit Corporation Act, for the purposes of assuring compliance with the terms of this Declaration. The Association, acting through its Board, shall have the power to enforce the covenants, conditions and restrictions and all other terms contained in this Declaration, subject to the provisions of the Articles and Bylaws, and shall have all of the powers set forth in the Articles and Bylaws. Declarant, the Association and the Board shall never be under any obligation to enforce the covenants, conditions, restrictions and other terms of this Declaration, and any failure to so enforce shall never give rise to any liability whatsoever on the part of the Declarant, the Declarant's successors and assigns, the Association or the Board.

Section 2.2 Membership. Every Owner shall be a member of the Association. Each Owner's membership in the Association shall be appurtenant to and may not be separated from ownership of the Owner's Lot. Any person or entity holding an interest in any portion of the Property merely as security for the performance of any obligation shall not be a member of the Association. Declarant shall be a member of the Association without regard to whether Declarant owns one or more specific Lots until the rights and authority granted to "Declarant" hereunder vest in the Association pursuant to Section 7.14 hereof.

Section 2.3 Voting Rights. The Association shall have one or more classes of voting membership as further described in the Bylaws. All voting rights shall be subject to the provisions and restrictions set forth in the Bylaws. Upon written request by an Owner of a Lot, the Association shall furnish a true, complete and correct copy of the Bylaws certified by an officer of the Association to such Owner.

Section 2.4 Board of Directors. The Association shall have a Board of Directors who shall have the powers and duties prescribed in the Articles and Bylaws. The Bylaws shall specify the procedure for election of the directors, as well as the terms to be served by the directors.

ARTICLE III

ASSESSMENTS AND FEES

Section 3.1 Covenants for Assessments and Initiation Fee. (a) The Declarant hereby covenants, and each Owner of any portion of the Property by acceptance of a deed, or other conveyance therefor, whether or not it shall be so expressed in such deed or other document, is deemed to covenant and agree to pay to the Association Regular Assessments and Special Assessments, such Assessments to be established and collected as hereinafter provided, as well as fines assessed for violations to these deed restrictions, the bylaws, rules, and other governing documents. Such fines shall be determined by the board of the association.

(b) Each Owner who acquires title to a Lot intending to use the Residence constructed thereon as a home shall, on the date the Lot is conveyed to such Owner, pay to the Association an initiation fee for membership in the Association. Each Owner who acquires title to a Lot intending to use the Residence constructed thereon as a home, by acceptance of a deed or instrument of conveyance to such Lot, whether or not it shall be so expressed in such deed or other document, shall be deemed to covenant and agree to pay to the Association the initiation fee herein provided.

(c) The Regular Assessments, Special Assessments and Initiation Fee, together with any interest, costs, and reasonable attorneys' fees provided for under this Declaration, shall be a charge on the

land and shall be a continuing lien upon the Owner's Lot against which each such Assessment and fee is made. Each such Assessment and fee, together with any interest, costs, and reasonable attorneys' fees provided for under this Declaration, shall also be the personal obligation of the person or entity who was the Owner of such Lot at the time the Assessment or fee fell due. The personal obligation for delinquent Assessments and fees shall not pass to such Owner's successors in title unless expressly assumed by such successor.

Section 3.2 Initial Initiation Fee and Regular Assessment. Until adjusted pursuant to the terms of Section 3.9, the Initiation Fee (herein so called) for membership in the Association shall initially be \$100.00 per Lot and the Regular Assessments shall initially be \$400.00 per Lot per calendar year. The initiation fee shall be paid on the date a Lot is conveyed to an Owner intending to use the Residence constructed thereon as a home. The Regular Assessments shall commence as set forth in Section 3.5 below, and shall be payable in advance on February 1 of each year. If the date of commencement of Regular Assessments for an Owner under Section 3.5 is other than February 1, the first Regular Assessment owing by such Owner shall be prorated from the date of the Owner closing until December 31 of the year of Owner closing, and paid to the Association on such date of commencement. The initiation fee and Regular Assessments may be adjusted as determined by the Board pursuant to the Articles and Bylaws and shall be payable as set forth herein, or as otherwise prescribed by the Board.

Section 3.3 Special Assessments. In addition to the Regular Assessments authorized above, the Association may levy at any time, in accordance with the Articles and Bylaws, a Special Assessment for the purpose of defraying, in whole or in part, (i) as to Owners generally, the costs of any construction, reconstruction, repair or replacement of a capital improvement on the Common Areas, including fixtures and personal property related thereto, (ii) as to Owners generally, any increased operating or maintenance expenses or costs to the Association, (iii) as to a particular Lot Owner, the costs incurred by the Association with respect to a particular Lot due to the Lot Owner's lack of maintenance of the Lot or other compliance with this Declaration or the Association's rules and regulations, including without limitation, grass and weed cutting, and (iv) as to a particular Lot Owner, HOA Expenses incurred by the Association, in the judgment of the Board, as the result of the willful or negligent act of the Owner or the Owner's family, guests or invitees.

Section 3.4 Notice and Quorum Requirements. Written notice of any meeting called for the purpose of taking any action authorized in Section 3.2 and Section 3.3 shall be in accordance with the Bylaws of the Association.

Section 3.5. Date of Commencement of Regular Assessments. The Regular Assessments provided for herein shall commence with respect to each Lot on either (1) the date of conveyance of the Lot in question to an Owner intending to use the Residence constructed on the Lot as a home; or (2) at a date determined by Declarant, whichever earlier. (For example, Declarant may notify builders owning Lots that those Lots must pay assessments beginning on a date established by Declarant.)

Section 3.6 Exempt Property. All HOA Lots and all property dedicated to and accepted by the City or another governmental authority shall be exempt from the Assessments created herein.

Section 3.7. Remedies of the Association. Any Assessment, Initiation Fee or other sum due under the declaration, bylaws, or rules not paid within 30 days after the due date shall be delinquent and, at the Board's discretion, may bear interest from the due date at the rate of 18% per annum, but in no event in excess of the maximum rate permitted by applicable law, and/or the Board may impose late fees and collection fees/charges for any unpaid amounts due the Association. Such Assessment, Initiation Fee, or other amount due and all interest and costs of collection, including administrative costs of the association and reasonable attorneys fees and any late fees adopted by the board shall be secured by a lien upon the Owner's Lot to which such Assessment, Initiation Fee or other costs relate, which lien (1) shall be superior to all other liens and charges against such property, except only for ad valorem tax liens and all sums unpaid on a bona fide mortgage lien or deed of trust

lien of record, and (2) shall be coupled with a power of sale in favor of the association entitling the association to exercise the right of non-judicial foreclosure sale and the other rights and remedies afforded under Chapter 51 of the Texas Property Code, as amended. It is expressly intended that by acceptance of a deed or other form of conveyance to a Lot within the property, each Owner acknowledges that title is accepted subject to the lien provided for herein, which shall be deemed to be an express contractual lien and shall be superior to any defense of homestead or other exemption, the lien having been created prior to the creation or attachment of any homestead right with respect to any Lot

To evidence the lien, the Association may file a written notice of such lien in the Real Property Records of Williamson County, Texas, setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot. Subsequent to the recording of a notice of lien as provided above, the Association may bring an action at law against the Owner personally obligated to pay the indebtedness secured thereby, and in addition, conduct a nonjudicial foreclosure sale of the Owner's Lot under the Texas Property Code or judicially foreclose the lien against the Owner's Lot, all such remedies being cumulative. In any suit or proceeding against the Owner or the Owner's Lot, the Owner shall be required to pay and shall be liable for all costs, expenses and reasonable attorneys' fees incurred by the Association. No Owner may waive or otherwise escape liability for the initiation fee or Assessments provided for herein by non-use of the HOA Lots or abandonment of the assessed Lot by the Owner.

All monies received from an Owner may be applied first to non-assessment obligations of the Owner, such as fines, late charges, returned check charges, damages, etc., regardless of notations on checks or any instructions otherwise.

Section 3.8 Subordination of Lien to Mortgages. The lien securing the Assessments and Initiation Fee provided for herein on each Lot shall be subordinate to the lien of any bona fide mortgage or deed of trust of record now or hereafter placed upon such Lot. Sale or transfer of any Lot shall not affect the Assessment and Initiation Fee lien. However, the sale or transfer of any Lot pursuant to a foreclosure of any mortgage or deed of trust lien of record shall extinguish the Assessment and Initiation Fee lien as to Assessments or any Initiation Fee, which became due prior to such sale or transfer. No sale or transfer by foreclosure or otherwise shall relieve such Lot from liability for any Assessments or Initiation Fee thereafter becoming due or from the lien securing such Assessments or Initiation Fee.

Section 3.9 Duties of the Board. The Board shall fix the amount of the Initiation Fee and the Regular Assessments from time to time, but no more frequently than once per calendar year. The Board may amend the due dates for the Regular Assessments at any time the amount of the Regular Assessments is fixed. The Board may levy a Special Assessment authorized by this Declaration at any time. The Board shall establish the due date for such Special Assessment at the time of levy. The Board shall prepare a roster of the Lots and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the Assessment shall thereupon be sent to every Owner subject thereto. The Association shall, upon demand at any time, furnish to any Owner liable for said Assessments a certificate in writing signed by an officer of the Association setting forth whether said Assessment has been paid.

Section 3.10 Enforcement (fines.) The board of the association will have the right to assess fines for violations of the declaration, bylaws, rules or any other governing document. Fines may increase for each day the owner allows the violation to continue. The board may waive all or part of any fine if there are hardship or unusual circumstances in the Board's discretion. Attorney's fees incurred by the association in enforcing a deed restriction (including the bylaws, rules, or other governing document) may be assessed to the violating owner's account

ARTICLE IV

CONSTRUCTION OF IMPROVEMENTS AND USE OF LOTS

Section 4.1 Platting. No re-plat of the Property or any portion thereof shall be filed with the City or recorded in the Real Property Records of Williamson County, Texas that has not first been approved by Declarant, with Declarant's approval shown in writing, signed by Declarant, on the face of the plat.

Section 4.2. Residential Use. The Property and all Lots shall be used for single-family residential purposes only, except that a Lot may be used by a homebuilder for a model home or as a temporary parking lot adjacent to a model home. Subject to other provisions of this Declaration governing use of the common area and use by the Declarant, no part of the property may be used for purposes other than housing and related, non-commercial purposes for which the property was designed. No other uses are permitted by this Declaration. Owners may not allow employees of Owner or a business with which Owner is associated (other than household domestic servants or persons related to the Owner by blood, adoption, or marriage) to live in the house. Owners may not manufacture or prepare on the property any tangible products for off-premises use or consumption. The foregoing restrictions as to use for residential purposes shall not, however, be construed in such manner as to prohibit a homeowner from:

- (a) Maintaining his personal, professional library;
- (b) Keeping his personal business or professional records or accounts, provided that such records are kept by a resident of the house and not a third party coming and going from the house on a regular basis;
- (c) Handling his personal and professional business involving only professional telephone calls, computer work, correspondence, and mail. The foregoing does not permit personal or professional business involving deliveries to or from a home (other than mail service typical of residential use), visits of customers, clients, patients, vendors, or other business visitors to or from the Owner's home or common areas; or
- (d) Renting or leasing an Owner's home in strict compliance with the Declaration, bylaws, and rules (community policies);

No building shall be erected, altered, placed, or permitted to remain on any Lot other than one Residence per Lot not exceeding two stories in height with a private garage as provided below. Each Residence shall be constructed in conformance with minimum FHA and VA standards.

Section 4.3. Single Family Use. Each Residence may be occupied by only one family consisting of persons related by blood, adoption, or marriage or no more than three unrelated persons living and cooking together as a single housekeeping unit, together with any household servants. However, in no event shall a residence be occupied by more than three times the number of bedrooms in the residence. For example, no more than nine people may reside in a three-bedroom home. For the purposes of this section, the word "bedroom" shall mean only the traditional use of the term – living areas such as game rooms, living rooms, dens, kitchens, breakfast rooms, enclosed patios, or any similar room shall not be considered a bedroom.

Section 4.4 Garage Required. Each Residence shall have a two-car garage conforming with current City zoning ordinances and codes, and the garage must conform in design and materials with the main structure of the Residence. No garage shall be converted to living space or used in any manner so as

to preclude the parking of two automobiles therein, except for temporary usage as part of the sales facilities contained in any model homes constructed by a homebuilder.

Further restrictions for garages are as follows:

(a) Village I Lots and Village II Lots. Each garage constructed on a Village I Lot or Village II Lot shall open directly toward the street, or face perpendicular to the street, or be detached in the rear of the home. Single garage doors shall be used for two or three car garage entry, with a Masonry column constructed between the single garage doors. Double car garage entry doors shall only be allowed if the garage entry is a swing entry, perpendicular to the street.

(b) Village III Lots. Each garage constructed on a Village III Lot shall open perpendicular to the street, shall be a detached garage in the rear of the Lot, or shall open directly to the street, if the garage door is setback a minimum of twenty (20) feet from the front building line of the home. Single garage doors shall be used for two or three car garage entry, with a Masonry column constructed between the single garage doors. Double car garage entry doors shall only be allowed if the garage entry is a swing entry, perpendicular to the street.

Section 4.5 Restrictions on Re-subdivision. None of the Lots shall be subdivided into smaller lots.

Section 4.6 Driveways. All driveways shall be surfaced with concrete, or a similar substance, if approved in advance by the Committee.

Driveway access to Lake Forest Drive and Collingwood Drive is denied for the following Lots:

- (a) Village I Lots- Block F, Lot 67 and 1
- (b) Village II Lots- Block D, Lots 3, 15, 21, and Block C, Lot 2, and Block E, Lots 1, 8, 9, 16, 17, 24, 25, 30
- (c) Village III Lots- Block A, Lots 2, 9, 10, 17, 18, 27

Section 4.7 Uses Specifically Prohibited and Other Provisions.

(a) Lot Improvements. No temporary dwelling, outside storage building, shop, trailer or mobile home on any kind of any kind or any improvement of a temporary character including children's playhouses, playscapes, basketball goals, dog houses, greenhouses, gazebos, swimming pools and spas, (*above ground swimming pools are not allowed) storage containers and sheds shall be permitted on any Lot, except as specified under section 4.7 (n) below and further except that a builder or contractor may have temporary improvements (such as a sales office, parking lot and/or a construction trailer) on a Lot during construction of the Residence on that Lot. No building material of any kind or character shall be placed or stored upon a Lot until the Owner thereof is ready to commence construction of improvements, and then such material shall be placed only within the property lines of the Lot upon which the improvements are to be erected during construction so long as construction progresses without undue delay.

(b) Vehicle Parking. Parking of vehicles, motorcycles, bicycles, trailers, or any motorized vehicle in grass areas, dirt areas, flowerbeds, or sidewalks is prohibited. Owners and occupants must park vehicles in their respective garages or off-street parking areas on their Lots. Owners may not store any items in their garage that prevent parking of vehicles in the garage. No homeowner or occupant may park, store, operate, or keep within or adjoining the property any commercial or commercial-type vehicle (including vehicles with commercial markings/lettering), vehicle longer than 19 feet, motorcycles, motorbikes, motor scooters, Recreational Vehicles (e.g. camper unit, motor home, trailer, boat, mobile home, golf cart), or other similar vehicles, unless same is kept solely within the garage of such Owner's home. No vehicle may be used as a residence or office temporarily or permanently while

on the Property. Garage doors must be kept closed except when necessary for exiting, entering, and repairs. No one may park vehicles in the amenities (including pool and tennis court) parking lot overnight or when not using the amenities. Bicycles and similar items may not be stored outside a dwelling or on balconies or patios or in a manner visible from a street.

Notwithstanding any other language to the contrary in this Declaration, this Declaration shall not prevent temporary parking, for no longer than 12 hours in any seven-day period, of a Recreational Vehicle in view on an Owner's Lot if such parking is in the course of loading or unloading for recreational purposes.

No vehicles may be parked or unattended in such a manner as to block the passage of other vehicles on the roadways throughout the property or in front of driveways to the Lots. No vehicles shall be left parked and unattended in such a manner as to prevent the ingress or egress of emergency vehicles or service vehicles (for example, garbage trucks). No inoperable vehicle may be parked on the Property (including the streets) except within an enclosed garage.

Motorcycles and bicycles may not be parked on balconies or patios visible from the street or common area. Bicycles must be stored inside a dwelling or garage or otherwise not in view from a street or common area.

(c) Dangerous Cargo. No vehicle of any size which transports inflammatory or explosive cargo may be kept on the Property at any time.

(d) Structures. No structure of a temporary character, such as a trailer, basement, tent, shack, barn or other out -building, shall be used on any of the Property at any time as a dwelling house; provided, however, that any builder may maintain and occupy model houses, sales offices and construction trailers during construction periods.

(e) Mining and Drilling. No oil drilling, oil development operation, oil refining, quarrying or mining operations of any kind shall be permitted on the surface of the Property. No oil wells, tanks, tunnels, mineral excavations or shafts shall be permitted upon or in any part of the Property. No derrick or other structure designed for use in quarrying or boring for oil, natural gas or other minerals shall be erected, maintained or permitted on the Property.

(f) Animals. No animals, livestock, fowl or poultry of any kind shall be raised, bred or kept on the Property, except that dogs, cats or other household pets may be kept for the purpose of providing companionship for the private family. Animals are not to be raised, bred or kept for commercial purposes or for food. It is the purpose of these provisions to restrict the use of the Property so that no person shall quarter on any part of the Property cows, horses, bees, pigeons, hogs, sheep, goats, guinea fowls, ducks, chickens, turkeys, skunks or any other animals that may interfere with the quietude, health or safety of the community. No more than two (2) pets will be permitted on each Lot. Pets must be restrained or confined to the rear of the Owner's Lot inside a fenced area or within the house. It is the pet Owner's responsibility to keep the Lot clean and free of pet debris. All animals must be properly tagged for identification and vaccinated against rabies.

(g) Dumping. No Lot or other area on the Property shall be used as a dumping ground for rubbish or a site for the accumulation of unsightly materials of any kind, including, but not limited to, broken or rusty equipment, disassembled or inoperative cars and discarded appliances and furniture. Trash, garbage or other waste shall not be kept except in sanitary containers. All equipment for the storage or other disposal of such material shall be kept in clean and sanitary condition. All containers and other facilities for trash disposal must be located and screened in a manner approved by the Committee.

(h) Water Supply. No individual Lot water supply system shall be permitted on the Property.

(i) Wastewater System. No individual Lot sewage disposal shall be permitted on the Property.

(j) HVAC Equipment. No air-conditioning apparatus shall be installed on the ground in front of a Residence or on the roof of any Residence. No window air-conditioning apparatus or evaporative cooler shall be attached to any front wall or front window of a Residence or at any other location where such would be visible from any street.

- (k) Antennas and satellite dishes. The following antennas and satellite dishes are not permitted:
- antennas or dishes that only transmit signals;
 - antennas or dishes that interfere with reception of video signals by other homes;
 - antennas or dishes mounted on roofs or buildings;
 - antennas or dishes in common areas; and
 - dishes greater than one meter in diameter.

Unless prohibited above, an antenna or satellite dish may be installed only: (1) inside the attic, garage or living area of a home; or (2) outside in the back yard or side yard of a home. However, the Committee may in its discretion allow antennas or dishes to be mounted on the back half of a roof (the portion of the roof furthest from the street). Outside installation is allowed only if the plans and specifications for location, attachment, safety and screening are approved in writing by the Committee for compliance with the following standards:

The antenna or satellite dish must:

- be properly bolted and secured in a workmanlike manner;
- be located behind the home or behind a solid wall, fence or perennial landscaping in the side yard or back yard of a home;
- be screened by the above fence or landscaping, to the greatest extent reasonably possible, in order to prevent the antenna or dish from being seen from any street, common area or neighboring home;
- be no higher than the fence or landscaping that is screening it from view; and
- not be located within any building setback lines as defined by the City of Round Rock.

The unit Owner is liable for all damages to association property, personal property, animals and persons caused by the Owner's installation of an antenna or dish.

These location, installation and screening requirements are based on aesthetics, non-interference with reception by neighbors, preservation of property values and safety, including avoidance of injury or property damage from improperly installed or otherwise dangerous antennas or dishes.

(l) Residential Use. No Lot or improvement shall be used for business, professional, commercial or manufacturing purposes of any kind. No activity, whether for profit or not, shall be conducted on the Property which is not related to single-family residential purposes. No noxious, offensive or noisy activity shall be undertaken on the Property, and nothing shall be done which is or may become an annoyance or nuisance to the neighborhood. Nothing in this subparagraph or Section 4.2 shall prohibit a builder's temporary use of a Residence as a sales office until such builder's last Residence on the Property is sold. Nothing in this subparagraph shall prohibit an Owner's use of a Residence for quiet, inoffensive activities such as tutoring or giving art lessons so long as such activities do not materially increase the number of cars parked on the street or interfere with adjoining Owners' use and enjoyment of their Residences and yards.

(m) Sight Lines. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between three and six feet above the roadway shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street right-of-way lines and a line connecting them at points ten feet from the intersection of the street right-of-way lines, or, in the case of a rounded property

corner, from the intersection of the street right-of-way lines as extended. The same sight-line limitations shall apply on any Lot within ten feet from the intersection of a street right-of-way line with the edge of a private driveway or alley pavement. No tree shall be permitted to remain within such distance of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

(n)

1. Outside storage buildings and sheds: ACC APPROVAL REQUIRED and must meet the following specifications:

- a) Size no greater than eight (8) feet wide by twelve (12) feet long.
- b) Ceiling plate line height no greater than eight (8) feet.
- c) Siding material must be the same type and color masonry as the Residence on the Lot, and the roof material must be the same type and color material as the Residence roof.
- d) Location of building must meet the minimum side yard and rear yard setback provisions for the Lot.

2. Outside storage containers: Must meet the following specifications with no exceptions:

- a) Must be out of line of sight from the street
- b) Maximum of two per property
- c) Maximum of 4 ft tall
- d) Blend with surroundings

3. Children's Playscapes/Playhouses:

- a) Playscapes are not to exceed fourteen (14) feet at the highest point and no greater than twenty (20) feet in length. NO ACC APPROVAL necessary if it meets the said specifications.
- b) Playhouses are not to exceed six (6) feet in height and no wider than six (6) feet. NO ACC APPROVAL necessary if it meets the said specifications.
- c) Trampolines including safety net not to exceed fourteen (14) feet at the highest point. NO ACC APPROVAL necessary if it meets the said specifications.

4. Basketball Goals: No Basketball Goals can be mounted to any residence. Permanent Basketball Goals require ACC APPROVAL and must be out of the line of sight. Portable Basketball Goals - NO ACC APPROVAL necessary but must meet the following specifications:

- a) Stored in an upright position out of the street on the residence property
- b) Must be properly maintained

5. Doghouses that are reasonable in size require NO ACC APPROVAL.

6. Greenhouses: ACC APPROVAL REQUIRED and no more than ten (10) feet at the highest point.

7. Gazebos/Arbors: ACC APPROVAL REQUIRED and no more than fourteen (14) feet at the highest point.

8. The referenced facilities must be located to meet the minimum setback lines of the Lot.

(o) Easements. Within easements on each Lot, no structures, planting or materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of

utilities, which may change the direction of flow within drainage channels or which may obstruct or retard the flow of water through drainage channels.

(p) Drainage. Lot drainage shall follow the natural drainage to the street, utility easement or downhill property line. The Owner is responsible for managing the Lot surface drainage. After Declarant has graded a Lot, the general grading, slope and drainage plan of a Lot may not be altered without (i) written permission of the Committee and (ii) any approvals of the City and other appropriate agencies having authority to grant such approval which may be required.

(q) Signs. No sign of any kind shall be displayed to the public view on any Lot except (i) one professionally fabricated sign of not more than five (5) square feet advertising the Residence for rent or sale; (ii) signs used by Declarant or by a builder building homes within the Property to advertise the Property during the development, construction and sales periods; and (iii) signs advertising development of Residences on property of Declarant or its successors in title. Declarant, the Committee or the Association shall have the right to remove any sign, billboard or other advertising structure that does not comply with the above, and in so doing shall not be subject to any liability for trespass or any other liability in connection with such removal.

(r) Yard Screening. The drying, airing, or other hanging of clothes, rugs, or other such items anywhere other than inside a Residence is prohibited. The Owners and occupants of any Lot such as those Lots at the intersections of streets or adjacent to parks, playgrounds, or other facilities where the rear yard is visible to public view shall install a suitable enclosure to screen from public, street-level view equipment which is incidental to normal residences such as yard equipment and storage piles.”

(s) Burning. Except within fireplaces in the main residential dwelling and except for outdoor cooking, no burning of anything shall be permitted anywhere on the Property.

(t) HVAC Screening. All exterior mechanical equipment, including, but not limited to, HVAC equipment, shall be located on the side or rear yard of each Lot and shielded with landscaping material or fencing from public view from any adjacent street.

(u) Utilities. All utilities shall be installed underground, with the exception of the required grade level utilities structures, such as transformers, gas meters and connection facilities. Electric transformers shall be installed in the front or rear yard setback line of the Lot. Any electric transformer installed in the front yard setback of the Lot line shall have landscaping installed around all sides of the structure. Perimeter landscaping is not required for gas meters, cable TV boxes and telephone boxes.

(v) Propane Tanks. Propane tanks, with the exception of outside liquid propane tanks no greater than 50-pound capacity for outdoor grill cooking shall not be installed or constructed on a Lot.

(w) Minimum Gas Usage. Each Owner shall install a minimum of TXU gas service for HVAC heating, clothes dryer and one other use with each constructed home.

(x) Trash Management on Lots. Each Owner shall have the responsibility to maintain, at its sole cost and expense, each Lot free and clear of excessive construction debris, trash and unsightly materials.

(y) Leasing. No home may be leased for hotel or transient purposes or for less than 30 days. All leases must be subject to the declaration, bylaws, and rules of the association. The association shall have the authority to evict tenants of Owners after reasonable notice for substantial or repeated violations of the association’s declaration, bylaws, or rules. The association shall have the authority to enforce all declaration, bylaws, or rule provisions against an Owner’s tenants, including collection of fines for violations of the Declaration, Bylaws, or

Rules by the tenant. Owners are liable for all fines levied against their tenants and their tenants guests or invitees. No Owner may lease (for barter or monetary amounts) any part of their home (such as leasing a bedroom to a boarder) with the exception of live-in domestic help for customary residential purposes.”

(z) Residential Color Change: ACC APPROVAL REQUIRED and must be compatible with the aesthetics of the neighborhood.

Section 4.8 Minimum Floor Area. The total air-conditioned living area of the main residential structure, as measured to the outside of exterior walls, but exclusive of open porches, garages, patios and detached accessory buildings,

- (a) shall not be less than 1,800 square feet on any Lot within the Village I Property,
 - (b) shall not be less than 2,000 square feet on any Lot within the Village II Property,
 - (c) shall not be less than 3,000 square feet on any Lot within the Village III Property;
- provided, however, the Committee shall have the right, in its discretion, to allow variances of up to two hundred (200) square feet from the minimum and maximum square footage referenced in (a) or (b) or (c) above.

Section 4.9 Building Materials. Unless otherwise approved in writing by the Committee, the front wall area (exclusive of windows) of each Residence constructed on a Lot, including, but not limited to, chimney flues, shall be not less than 100% Masonry.

The total exterior wall area of each Residence constructed on a Village I Lot or Village II Lot, including, but not limited to, chimney flues, shall be not less than 75% Masonry, and not less than 100% Masonry for a Village III Lot (or a higher percentage if required by the City); provided, windows, doors and gables shall be excluded from the calculation of the total exterior wall area.

First and second floor box windows are allowed on the Residence wall, and wood trim is allowed on these specific box window elevations. With the advance permission of the Committee, Hardie plank, or similar Cement based building material, shall be allowed on front building elevation locations where Masonry is difficult to support or install.

Notwithstanding the foregoing, unless otherwise approved in writing by the Committee, each Residence side constructed on a Lot adjacent to Forest Creek Drive, Lake Forest Drive, Fernspring Drive, Gattis School Drive, and Collingwood Drive shall be 100% Masonry, including chimneys constructed adjacent to these same streets.

Section 4.10 Setback Restrictions. No Residence shall be located on any Lot nearer to the front Lot line, a side Lot line or the rear Lot line than the minimum setback lines shown on the Final Plat or required by the City, whichever is more restrictive.

Section 4.11 Fences and Retaining Walls. Any fence must be constructed of Masonry, Cedar wood or wrought iron, or another material approved by the Committee. Any wood fence facing any street must be constructed so that the side of the fence containing the three (3) horizontal structural supports is not visible from such street. No fence shall be permitted to extend nearer to any street abutting the front Lot line than the front building line of any Residence.

All fences installed on a Village I Lot or Village II Lot shall be constructed of Cedar wood, wrought iron or Masonry, except any Village I Lot and Village II Lot fence installed along a Collector Street (hereinafter defined) shall follow the provisions of Section 4.12. Vertical steel foundation posts shall be installed, and no vertical wood posts shall be permitted. The fence shall have three (3) horizontal wood structures, and the steel posts shall be installed so the steel posts are not visible from any street.

All fences installed on a Village III Lot shall follow the following specifications, except any Village III Lot fence installed along a Collector Street shall follow the provisions of Section 4.12:

(a) If the installed fence is located between the Residence side front building elevation and the side yard Lot line, the installed fence shall be constructed of Masonry or wrought iron materials, a minimum of six (6) feet in height and a maximum of eight (8) feet in height.

(b) All other installed fences shall be constructed of either Cedar wood, Masonry or wrought iron materials, a minimum of six (6) feet in height and a maximum of eight (8) feet in height. Wood fences may be stained only with the Penofin sealer treatment, or left in their natural condition.

Fences or walls erected by Declarant or builders shall become the property of the Owner of the Lot on which the same are erected and, in the event no other person or entity maintains such fences or walls, shall be maintained and repaired by such Owner.

No portion of any fence shall extend more than eight (8) feet in height. In the event that any fence intersects (the "Intersecting Fence") with any fence that is subject to the provisions of Section 4.12 below, which specifies a six (6) foot height for corner Lot fences, the Intersecting Fence, if higher, shall be decreased in height, at a steady rate, over the last ten (10) feet in length of such Intersecting Fence before it intersects with the lower fence so that there is a smooth transition from the higher level down to the six (6) foot height level of the fence referred to in Section 4.12. No two-fence segments of different heights shall meet without the ten (10) foot transition area required above. For the purposes of this Section 4.11, a fence shall "intersect" with another fence at any point where there is an appearance from any street that the fence segments meet or are in close proximity to each other.

Lot retaining walls shall meet the following specifications:

(a) The retaining wall shall be constructed with the face of the retaining wall on the common Lot boundary line. The retaining wall shall be constructed on the high side (meaning the higher Lot grade elevation) Lot, and shall extend no more than two (2) feet on the high side Lot. A four (4) foot retaining wall easement area shall be preserved on the low side (meaning the lower Lot grade elevation) Lot for retaining wall access and maintenance, as provided in subparagraph (c) below.

(b) If a fence is installed on the same Lot boundary line with a retaining wall, the fence shall be located on the high side of the Lot. The fence shall be installed immediately adjacent to the back of the Lot retaining wall. A Lot fence two (2) foot easement for access and maintenance of the Lot fence shall be maintained on the high side Lot between the fence and the Residence.

(c) A perpetual non-exclusive easement, on, over and across the low side Lot easement area is hereby granted to the high side Lot for ingress and egress by the Owner and occupants of the high side Lot and their invitees, for construction, reconstruction and maintenance of the retaining wall serving the high side and the low side Lots, subject to the other restrictions set forth in this Declaration.

Nothing shall be done or permitted within the retaining wall easement area which would constitute a threat or hazard to the health and safety of the individuals occupying the high side or the low side Residences, nor shall anything be done or permitted within the retaining wall easement area which defaces the Residence or the landscaping of the low side Lot, or which adversely affects the integrity, structure or strength of the Residence on the low side Lot.

The uses permitted within the retaining wall easement area by virtue of this Provision shall be nonexclusive because same may be subject to utility, access and drainage easements, as well as any minor encroachments. In addition, the permitted uses of the retaining wall easement area shall be coexistent with any easements granted elsewhere in the Declaration, as it may be amended from time to time.

- (d) Notwithstanding anything to the contrary set forth in this Declaration, in the event a retaining wall is damaged or destroyed by casualty or requires repair or maintenance due to wear and tear, the Owner of the high side Lot shall proceed promptly to repair or restore the retaining wall in the manner consistent with its original construction, unless otherwise approved pursuant to other Declaration provisions.
- (e) An fence constructed or required to be constructed upon the common boundary line of the high side and the low side Lots shall be the shared maintenance responsibility of the adjoining Lot Owners. Any fence constructed or required to be constructed on the high side Lot, due solely to the construction of a retaining wall with its face on the common Lot boundary line, shall be the shared maintenance responsibility of the adjoining Lot Owners. The adjoining Lot Owners shall maintain such fence in good order and repair and shall replace such fence upon its deterioration in accordance with the construction requirements of this Declaration. Prior to performing any work to maintain, repair or replace a fence, the adjoining Lot Owners shall discuss the needed work and endeavor in good faith to agree on its scope and cost.
- (f) In the event of any dispute, disagreement or controversy between or among any Owners pertaining to either the retaining wall or fence, then upon the written demand of any such Owner, the dispute, disagreement or controversy shall be fully and finally resolved in binding arbitration before the Committee, or a representative of the Committee, and, if necessary, judgment upon the Committee's decision may be entered in any court having jurisdiction thereof

Section 4.12 Village I, Village II, and Village III Collector Street Fence. The Owner, within 30 days after construction of a Residence built on any Village I Lot, Village II Lot or Village III Lot adjacent to Lake Forest Drive, Fernspring Drive or Collingwood Drive (collectively the "Collector Street") shall construct or cause to be constructed, and shall thereafter repair and maintain, a fence (the "Collector Fence") along the side of the Lot which is adjacent to a Collector Street.

The Collector Fence for Village I Lots and Village II Lots shall:

- (a) be immediately inside the applicable property line of such Lot;
- (b) extend from the rear Lot line to a point which will enclose all utility fixtures (exclusive of electric utility company transformers) when connected to the fence connected with the side of the Residence constructed on the Lot, and shall extend to a point forty five (45) feet from the extended intersection point of the side street right of way with the front street right of way;
- (c) comply with City and FHA and VA requirements;
- (d) be constructed at the Owner's sole cost and expense;
- (e) be constructed of Cedar wood, with a pattern of board on board construction using 1 inch by 6 inch plank Cedar wood, or Masonry material approved in writing by the Committee, with vertical metal fence supports located on the Residence side (as opposed to the street

side) of the fence, and be treated with Penofin sealer treatment or left in its natural condition;

- (f) be six (6) feet in height;
- (g) be parallel with the applicable property line of such Lot;
- (h) be constructed so the side of the fence containing the three (3) horizontal structural supports are not visible from any street;
- (i) and on the street side of the Collector Fence the Owner shall install and maintain five (5) tall Yaupons, located ten (10) foot on centers between the sidewalk and the Collector Fence.

The Collector Fence for the Village III Lots shall:

- (a) be constructed immediately inside the Collingwood Drive Lot side property line, extending from the rear Lot corner to a point which will enclose all utility fixtures (exclusive of electric utility company transformers) when connected to the fence connected with the side of the Residence constructed on the Lot, and shall extend to a point forty five (45) feet from the extended intersection point of the side street right of way with the front street right of way;
- (b) be constructed of the same Masonry materials as installed along the north and south sides of Forest Creek Drive;
- (c) be six (6) feet in height;
- (d) and on the street side of the Collector Fence the Owner shall install and maintain five (5) tall Yaupons, located ten (10) foot on centers between the sidewalk and the Collector Fence.

Section 4.12a. Village III Collingwood Drive Boundary Fence Location. The required Village III boundary fence along the east side of Collingwood Drive shall be installed two feet inside the street right-of-way on the Lot. The required yaupons shall be installed in the two-foot area between the installed masonry fence and the street right-of-way.

Section 4.12b. Lake Forest II and III, Village III Collingwood Drive Pathway. The Owner shall install a six-foot pathway, instead of the normal sidewalk, along each Lot adjacent to the east side of Collingwood Drive in Lake Forest II Village III and in Lake Forest III Village III.

Section 4.13 Landscaping. Each Owner of a Lot shall landscape and maintain the Lot according to the following minimum provisions:

- (a) All yards visible from the street shall be sod with grass from the Residence to the back of the street curb.
- (b) Landscape plants shall be installed and maintained along the entire front of the Residence and landscape plants shall be installed along the sides of the Residence to the intersection of the side fencing, or the rear of the Residence, if there is no side yard fence.
- (c) Unless there are native trees meeting the following specifications, a minimum of two (2) trees, at least three (3) inch caliper at the time of installation, shall be installed in the front yard of Village I Lots and Village II Lots. The trees shall be Live Oak, Red Oak,

Bradford Pear or Cedar Elm. The same specification shall apply to each Village III Lot Residence, except the minimum installed tree shall be six (6) inch caliper.

The Owner of a Village I, II or III Lot shall sod grass turf, landscape and install an underground irrigation system in the unpaved right-of-way of between such Owner's Lot line and the street curb. The irrigation system and landscaping shall be constructed according to the following provisions:

- (a) Irrigation - Each Lot shall include an underground irrigation system (in the manner required by the Committee) providing irrigation throughout all of the unpaved area of the Lot visible from the street and all unpaved public right-of-way between the Lot line and the pavement curb of all Lots.
- (b) Landscaping - Grass shall be installed and maintained on all of the yard of each such Lot visible from the street and on all of the unpaved public right-of-way between the Lot line and the pavement curb of all streets. On all Lots, along the entirety of the side of any fence facing Lake Forest Drive, Fernspring Drive and Collingwood Drive on any such Lot, Yaupon trees, a minimum of five (5) foot tall, shall be installed and maintained ten (10) feet on centers between the Lot property line and the sidewalk, on the street side of the fence.

All irrigation and landscaping required under this Section 4.13 shall be installed by a builder at the time of and in conjunction with the construction of a Residence on a Lot, and shall thereafter be maintained by the Owner of the Lot.

Section 4.13a. Native Tree Preservation. No Lot trophy tree, defined as a native live oak, cedar, elm, or pecan greater than eight caliper inches three feet above the ground will be removed or damaged without the prior review and approval of Declarant, or after Declarant rights end, the Committee.

Section 4.14 Sidewalks. Any Owner, when building a Residence on the Lot, shall build sidewalks along the fronts and sides of Lots abutting streets, which sidewalks shall conform to the City, FHA and VA specifications and regulations. Sidewalks constructed on residential streets shall be immediately adjacent to the street back of curb and shall be five (5) feet in width, and sidewalks constructed on major thoroughfares and collector streets shall be constructed with a parkway between the sidewalk and the street back of curb shall be four (4) feet in width. Sidewalks shall be constructed to minimize the construction impact with trees located in the street right of way and Lot.

Section 4.15 Mailboxes. Mailboxes shall be constructed of a material and design approved in writing by the Committee prior to their installation, and shall be in conformity with the requirements of the City and the United States Post Office. Mailboxes may be built in enclosures containing multiple mailboxes, and in such event the Owners of the Lots with mailboxes in such enclosure shall be responsible, equally, for maintaining such enclosure in good condition and repair. If such Owners fail to do so, the Declarant and the Association shall each have the right, but not the obligation, to make any repairs, the cost of which shall be reimbursed to Declarant or the Association, as the case may be, by such Owners, equally, promptly upon receipt of an invoice therefor. The amount to be reimbursed, if not paid within 10 days after the date of such invoice, shall bear interest from the date of the invoice until paid at the maximum legal rate of interest that can be contracted for under the laws of the State of Texas.

Section 4.16 Roofs. All roofs on any Residence constructed on a Village I Lot or Village II Lot shall have no less than a 7'/12' roof slope, and all roofs on any Residence constructed on a Village III Lot shall have no less than a 8'/12" roof slope. All roofs shall be constructed or covered with a 25-year composition Architectural Shingle or Ceramic Tile with the approximate color of weathered wood coloration.

Section 4.17 Chimney Construction. Any chimney constructed on a Lot must comply with the following requirements:

- (a) Front or Rear of Roof Pitch- any chimney which is constructed to extend upward from any portion of the interior portion of the roof of the Residence in the front or the rear of the roof pitch shall be constructed of Masonry; provided, however, on a Village I Lot or Village II Lot, the side of the chimney which faces the roof may be constructed of Hardie board in lieu of Masonry.
- (b) Perimeter of Residence- any chimney which is constructed on any perimeter of a Residence shall be constructed with Masonry on all four (4) sides of the chimney

Notwithstanding the previous provisions, with respect to any chimney constructed on any Residence on any Village III Lot, the chimney construction shall consist of Masonry on all four (4) sides.

Section 4.18 Retaining Walls. Prior to occupancy of any Residence, the Owner shall install the appropriate retaining walls on a Lot, based on the sole and exclusive request of the homebuilder. Any required retaining wall shall be installed using Masonry as the building material.

Section 4.19 Construction Timing. Construction of a residential dwelling shall begin no later than eighteen (18) months after ownership of the Lot has been legally conveyed by Declarant, unless the Committee determines that an extension of time should be granted and issues a written statement to the Lot Owner specifically permitting the extension.

Section 4.20 Future Extension of Forest Creek Drive, Lake Forest Drive, Collingwood Drive and Fernspring Drive. Forest Creek Drive, Lake Forest Drive, Collingwood Drive and Fernspring Drive, and the associated alleys, at the sole discretion of the Declarant, may be extended with a Final Plat in the future. If these streets are extended, such area shall be annexed and developed under this same Lake Forest Declaration. The additional and annexed areas shall consist of additional Village I, Village II or Village Lots for Residences, as approved by the Declarant.

Section 4.21 Residence Height Restrictions. No Residence shall be constructed which is greater than two (2) stories in height, except the following Lots shall have Residences constructed no greater than one (1) story in height:

Village I Lots- Block F, Lots 14, 15, 16, 27, 28, 29, 40, 41, 52 and 53.

Section 4.22 Concrete Foundation Restrictions. Concrete foundation exposure shall be no greater on any Residence elevation than the restrictions reflected in the following chart:

Village	Maximum concrete foundation exposure in inches			
	Front	Side Front	Rear Side	Rear
Village I Lot	18 inches	18 inches	48 inches	48 inches
Village II Lot	18 inches	18 inches	48 inches	48 inches
Village III Lot	18 inches	18 inches	18 inches	18 inches

Section 4.23 Auction sales prohibited. Except for foreclosure sales held by a lienholder in conjunction with foreclosing on a deed of trust or other lien right, no Lot may be sold by public auction process. For the purposes of this Section, "public auction process" is considered to be the sale of property by competitive bid.

ARTICLE V

ARCHITECTURAL CONTROL

Section 5.1 Authority. Except as specifically provided for homebuilders in Section 5.3 below, no landscaping shall be undertaken, and no building, fence, wall, basketball goal pole or other structure shall be commenced, erected, placed, maintained or altered on any Lot, nor shall any exterior painting of, exterior addition to, or alteration of, such items be made until all plans and specifications and a plot plan have been submitted to and approved in writing by the Committee as to:

- (a) quality of workmanship and materials, adequacy of site dimensions, adequacy of structural design, acceptability of floor plan, and proper facing of main elevation with respect to nearby streets;
- (b) conformity and harmony of the external design, color, type and appearance of exterior surfaces and landscaping in relation to the various parts of the proposed improvements and in relation to improvements on other Lots; and
- (c) the other standards set forth within this Declaration (and any amendments thereto).

Except as specifically provided below for homebuilders, the Committee is authorized and empowered to consider and review any and all aspects of construction and landscaping which may, in the reasonable opinion of the Committee, adversely affect the living enjoyment of one or more Lot Owners or the general value of Lots. In considering the harmony of external design between existing structures and the proposed building to be erected, placed or altered, the Committee shall consider only the general appearance of the proposed building as that can be determined from front, rear and side elevations on submitted plans.

No exterior or interior addition or alteration shall be made to any Residence which involves removal, addition, or alteration of load-bearing or non-load-bearing walls without the prior written consent of the Committee. Plans for all such work shall be submitted to the Committee in compliance with this Section 5.1. All removals, additions, and alterations must, comply with all applicable governmental regulations, including building code and fire code regulations.

Section 5.2 Procedure for Approval. A complete copy of the final plans and specifications shall be submitted in duplicate by direct delivery or by certified mail to the Committee. Such plans and specifications must be submitted at least 15 days prior to the proposed landscaping or construction of improvements. The plans and specifications shall show the nature, kind, shape, height, materials and location of all landscaping and improvements including, but not limited to, elevations and floor plans on each house intended to be built, square footage, roof pitch and percentage of brick or other material to be used as siding. The documents shall specify any requested variance from the setback lines, garage location or any other requirement set forth in this Declaration. Samples of proposed construction materials shall be delivered promptly to the Committee upon request.

At such time as the plans and specifications meet the approval of the Committee, the Committee shall send written authorization to proceed and will retain the plans and specifications. If disapproved by the Committee, the plans and specifications shall be returned marked "Disapproved" and shall be accompanied by a statement of the reasons for disapproval, which statement shall be signed by a representative of the Committee. Any modification of the approved set of plans and specifications must again be submitted to the Committee for its approval. The Committee's approval or disapproval, as required herein, shall be in writing. In no event shall the Committee give verbal approval of any plans.

If the Committee fails to approve or disapprove the plans and specifications submitted in accordance with Article V within 30 days after the date of the Committee's receipt of such plans, or for

plans and specifications for the construction of a Residence, within 60 days after the date of the Committee's receipt, the plans shall be deemed disapproved. Person submitting plans and specifications are strongly encouraged to obtain written confirmation of the Committee's receipt of such plans and specifications. The Committee shall act with good faith and due diligence in attempting to review and either approve or disapprove all submitted plans and specifications to the extent reasonably possible within the above-described time periods. The Committee has the sole discretion and authority to approve and disapprove submitted plans and specifications, subject to review by the full board upon petition by the ACC committee or homeowner.

In the case of a dispute about whether the Committee responded within such time period, the person submitting the plans shall have the burden of establishing that the Committee received the plans. The Committee's receipt of the plans may be established by a signed certified mail receipt or by a signed delivery receipt. In the event a majority of the Committee cannot reach an agreement on any matter submitted for approval, the Committee shall consult about such matter with the builder who, at such time, owns more Lots in the Property (including Lots subject to a contract with Declarant) than any other builder. The decision of such builder regarding the disputed matter shall be binding on the Committee.

Section 5.3 Special Procedure for Homebuilders. Once the Committee has approved a set of final plans and specifications (including, but not limited to, exterior colors) submitted by a homebuilder for a Residence to be constructed on a Lot, that homebuilder may use such plans and specifications for other Residences it will construct on the Property provided that the homebuilder shall follow the front elevation, floor plan, and the material color restrictions described in the attached Exhibit C. The term "homebuilder" shall mean a person or entity regularly engaged in the on-going business of constructing single-family homes for sale to owner-occupants.

On any Village I Lot and Village II Lot, no stone pattern may be repeated immediately next door to the same stone pattern.

Notwithstanding the provisions of this Section 5.3, any Residence built on a Village III Lot shall meet the following restrictions:

- (a) No Residence front elevation shall be repeated on any Residence built on a Village III Lot.
- (b) No Residence floor plan shall be repeated on a Residence built on a Village III Lot in the same cul de sac. A Residence floor plan may be materially modified, but not repeated on the same cul de sac.
- (c) Any Residence floor plan constructed on a Village III Lot fronting on Collingwood Drive shall be separated by five (5) Residences with different floor plans.

Section 5.4 Standards. The Committee shall use its good faith efforts to promote and ensure a high level of taste, design, quality, harmony and conformity throughout the Property consistent with this Declaration. The Committee shall have sole discretion with respect to taste, design and all standards specified herein. One objective of the Committee is to prevent unusual, radical, curious, odd, bizarre, peculiar or irregular structures from being built on the Property. The Committee from time to time may publish and promulgate bulletins regarding architectural standards, which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration.

Section 5.5 Liability of the Committee. The members of the Committee shall have no liability for decisions made by the Committee and the Committee shall have no liability for its decisions so long as such decisions are made in good faith and are not arbitrary or capricious. Any errors in or omissions from the plans and specifications or the site plan submitted shall be the responsibility of the Owner of the Lot to which the improvements relate, and the Committee shall have no obligation to check

for errors in or omissions from any such plans, or to check for such plans' compliance with the general provisions of this Declaration, City codes, state statutes or the common law, whether the same relate to Lot lines, building lines, easements or any other matters.

Section 5.6 Appointment of Committee. The Declarant shall have the right, from time to time, to replace and appoint the member(s) of the Committee. The Association shall maintain in its records a current roster of the members of the Committee.

Section 5.7. Required Approval Process for Owners and Builders. The Committee shall have the responsibility and the authority to review and approve a specific homebuilder selected by an Owner to build a Residence on the Owner's Lot. In addition to other requirements noted herein, the Owner shall be required to provide the following documentation to the Committee for review and approval or disapproval prior to any construction on a Lot:

1. Name and ownership of the builder
2. Specific locations where builder is building homes in the Austin area
3. Price range of new homes built by builder in the Austin area
4. History of the builder in the Austin area (length of time in business; previous building businesses, etc.)
5. Specific addresses of residences similar to requested Lake Forest Residence

The Committee shall consider the required documentation, as well as any additional documentation and information Owners choose to submit, in the review and approval and/or disapproval of the builder. The Committee shall have the responsibility and authority to approve or reject the requested builder, based on the sole discretion of the Committee. The Committee may in its discretion maintain a list of pre-approved builders. If the proposed builder is on the list of pre-approved builders, the requisites of Section 5.7 may be met by the Owner's written notice to the Committee of the name of the builder, and the Committee's subsequent written confirmation to the Owner that the builder is pre-approved. The Owner must obtain either (1) such pre-approval notice from the Committee or (2) the Committee's written approval of the builder before the Committee will review proposed construction plans.

Section 5.8 Drainage Issues/ Required Approval Process for Residence to be Built by New Builder: If the Committee approves the builder, the Committee has the responsibility and authority to review and approve or disapprove the documentation required by Article V for the Residence to be constructed by the builder on the Lot. Such documentation must be submitted to the Committee and the Committee's written approval must be received prior to any construction commencement. In addition to documentation required by Section 5.2 and other sections herein, submittal Residence documentation must include, but is not limited to :

- (a) Plot plan of the specific Lot and Residence
- (b) Complete set of Residence construction plans
- (c) Complete set of all four (4) Residence outside elevations
- (d) Complete Residence Specifications List for all external and internal finish materials, including trim, cabinets, hardware, plumbing fixtures, kitchen appliances, windows, doors, floors, molding, garage doors, roof materials, exterior materials, wallpaper, paint, air conditioned living area, landscape plan, fence plan
- (e) Drainage plan and irrigation plan
- (f) Other documentation reasonably requested by the Committee

ARTICLE VI

HOA LOTS

Section 6.1 Property Rights. Every Owner shall have a right and easement of enjoyment in and to the HOA Lots (including the improvements situated thereon, if any), which shall be appurtenant to and shall pass with title of any portion of the Property, subject to the following provisions:

(a) The association shall have the right to prescribe rules and regulations from time to time governing and restricting the use of the Property.

(b) The Association shall have the right to suspend the voting rights and right to use of the HOA Lots of an Owner for any period during which any Assessment or initiation fee against the Owner's Lot remains unpaid and for a reasonable period in response to any infraction of the Association's rules and regulations; and

(c) The Association shall have the right to take such steps as are reasonably necessary to protect the HOA Lots from foreclosure or forfeiture.

Section 6.2 Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Areas to the Owner's tenants, invitees and guests and to succeeding Owners and their tenants, invitees and guests.

Section 6.3 Title to HOA Lots. Declarant may retain the legal title to the HOA Lots until such time as in the sole discretion of Declarant the Association is able to maintain the same, at which time the Declarant will convey title to the HOA Lots to the Association. Until title to the HOA Lots has been conveyed to the Association by Declarant, Declarant shall be entitled to exercise all rights and privileges relating to such HOA Lots granted to the Association in this Declaration, other than the levying and collection of Assessments, which only the Association may do.

Section 6.4 Maintenance of HOA Lots Included in Annual Assessment. The Association shall provide maintenance, replacement, repair and care for the HOA Lots, including landscaping and plants thereon. By way of illustration, such improvements may include, but not necessarily be limited to, fences, walls, lighting and other facilities considered necessary for the overall illumination or security of the Property. The maintenance provided for in this Section shall be considered as services due each Member in consideration of the Assessments levied against the Member's Lot. However, in the event that the need for any such maintenance, replacement or repair performed by the Association, in the judgment of the Board, is caused through the willful or negligent act of the Member or the Member's family, guests, or invitees, the cost of such maintenance, replacement or repair shall become a Special Assessment to which the Member's Lot is subject.

Section 6.5 Lake Forest I, Block E, Lot 31 Community Facility. Block E, Lot 31 of the Phase I Property shall be developed as a community facility for the benefit of the Members of the Association. Included in this HOA Lot shall be a Junior Olympic Pool and Cabana and other community facilities to be owned, maintained and used by the Association for the benefit of the Members. At the sole discretion of the Declarant, additional community facilities shall be installed on the subject HOA Lot, and/or other Phase II and III Property HOA Lots.

ARTICLE VII

GENERAL PROVISIONS

Section 7.1 Easements. Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the Final Plat. Easements are reserved across all Lots as necessary for the installation, operation, maintenance and ownership of utilities, both surface and underground, service lines, storm drainage lines or retaining walls from the property lines to the Residences. By acceptance of a deed or other instrument of conveyance to a Lot, the Owner of the Lot

agrees to mow weeds and grass and to keep and maintain in a neat and clean condition any easement which may traverse a portion of the Lot.

Section 7.2 Recorded Final Plat. All dedications, limitations, restrictions and reservations shown on the Final Plat are incorporated herein and shall be construed as being adopted in each contract, deed or conveyance executed or to be executed by Declarant conveying Lots, whether specifically referred to therein or not.

Section 7.3 Lot Landscape and Maintenance. The Owner of each Lot, at the time of the construction of the Residence thereon, shall establish and maintain fully sodded grass on all yards visible from the street, including, but not limited to, the unpaved area, if any, between the Lot and the curb of any street adjacent to such Lot. The above landscaping shall be installed by a builder at the time of and in conjunction with the construction of a Residence on a Lot. The Owner shall maintain the yards in a sanitary and attractive manner and shall edge the sidewalk edges and street curbs that run along the property line. Grass, weeds and vegetation on each Lot must be kept mowed at regular intervals so as to maintain the property in a neat and attractive manner.

Maintenance obligations for fences constructed in relation to a retaining wall are set forth in Section 4.11. Otherwise, the Owner of each Lot on which a fence is required to be constructed under this Declaration shall maintain such fence in good order and repair and shall replace such fence upon its deterioration in accordance with the construction requirements of this Declaration. No vegetables shall be grown in any yard that faces a street. No Owner shall permit weeds or grass to grow to a height of greater than six (6) inches upon his property.

Upon the failure of any Owner to maintain any Lot or any fence or retaining wall thereon, Declarant and the Association each has the right, at its option, to have the grass, weeds and vegetation cut or the fence or retaining wall repaired or replaced as often as necessary in its sole judgment without the joinder of the other, and the Owner of such property shall be obligated, when presented with an itemized statement or notice of Special Assessment, to reimburse Declarant or pay a Special Assessment to the Association, as the case may be, for the cost of such work. The amount to be paid, if not paid within thirty days after the date the statement or notice of Special Assessment is presented to the Owner, shall bear interest from such date of presentation until paid at the rate of eighteen percent (18%) per annum, but in no event in excess of the maximum rate permitted by applicable law. Any Special Assessment owing to the Association for such work shall be secured by a lien on such Owner's Lot as provided in Section 3.7 of this Declaration. Easements are reserved across all Lots in favor of Declarant and the Association to permit them to exercise their rights provided under this Section 7.3.

Section 7.4 Maintenance of Improvements. Each Lot Owner (a) shall maintain the exterior of all buildings, fences, walls and other improvements on his Lot in good condition and repair; (b) shall replace worn and rotten parts; (c) shall regularly repaint all painted surfaces; and (d) shall not permit the roofs, rain gutters, downspouts, exterior walls, windows, doors, walks, driveways, parking areas or other exterior portions of the improvements to deteriorate.

Section 7.5 Mortgages. It is expressly provided that the breach of any of the foregoing provisions shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, as to the same premises or any part thereof encumbered by such mortgage or deed of trust, but said provisions shall be binding as to Lots acquired by foreclosure, trustee's sale or otherwise, but only as to any breach occurring after such acquisition of title.

Section 7.6 Term. This Declaration and the covenants and restrictions contained herein shall run with and bind the land and shall remain in full force and effect for a term of thirty (30) years after the date of this Declaration. Thereafter, this Declaration and the covenants and restrictions contained herein shall be extended automatically for successive periods of ten (10) years unless amended as provided

herein. This Declaration may be terminated only by an amendment effected under paragraph (b) of Section 7.12, which expressly provides for such termination.

Section 7.7 Severability. If any condition, covenant or restriction herein contained shall be invalid, which invalidity shall not be presumed until the same is determined by the judgment or order of a court of competent jurisdiction, such invalidity shall in no way affect any other condition, covenant or restriction, each of which shall remain in full force and effect.

Section 7.8 Binding Effect. Each of the conditions, covenants, restrictions and agreements herein contained is made for the mutual benefit of, and is binding upon, each and every person acquiring any part of the Property, it being understood that such conditions, covenants, restrictions and agreements are not for the benefit of the Owner of any land except land in the Property other than as specifically provided herein. This instrument, when executed, shall be filed of record in the appropriate records of Williamson County so that each and every Owner or purchaser of any portion of the Property is on notice of the conditions, covenants, restrictions and agreements herein contained.

Section 7.9 Enforcement. Declarant, the Association, the City of Round Rock and the Owner of any Lot on the Property shall have the right to have each and all of the foregoing covenants, conditions and restrictions herein faithfully carried out and performed with reference to each and every Lot, together with the right to bring any suit or undertake any legal process that may be proper to enforce the performance thereof. It is the intention hereby to attach to each Lot, without reference to when it was sold, the right to have such covenants, conditions and restrictions strictly complied with, such right to exist with the Owner of each Lot and to apply to all other Lots whether owned by the Declarant, its successors and assigns, or others. Failure by any Owner, Declarant or, the Association, the City of Round Rock to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 7.10 Other Authorities. If other authorities, such as the City or Williamson County, impose more demanding, expensive or restrictive requirements than those set forth herein, the requirements of such authorities shall be complied with. Other authorities' imposition of lesser requirements than those set forth herein shall not supersede or diminish the requirements herein.

Section 7.11 Addresses. Any notices or correspondence to an Owner of a Lot shall be addressed to the street address of the Lot. Any notice or plan submission to the Committee shall be made to the address set forth below. The Committee may change its address for notice and plan submission by recording in the Real Property Records of Williamson County a notice of change of address.

Section 7.12 Amendment. This Declaration may be amended only as follows:

(a) Until the rights and authority granted to "Declarant" hereunder vest in the Association pursuant to Section 7.14 hereof, the Declarant shall have and reserves the right at any time and from time to time, without the joinder or consent of any other party, to amend this Declaration by any instrument in writing duly signed, acknowledged, and filed for record, provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and shall not impair or affect the vested property or other rights of any Owner or his mortgagee.

(b) At any time, the Owners of the legal title to 75% of the Lots (as shown by the Williamson County Real Property Records) may amend the covenants, conditions and restrictions set forth herein by signing, acknowledging and recording an instrument containing such amendment(s), except that until the rights and authority granted to "Declarant" hereunder vest in the Association pursuant to Section 7.14 hereof, no such amendment shall be valid or effective without the joinder of Declarant.

Section 7.13 Annexation. Additional single-family residential property, being all or a portion of the Phase II Property, and the Phase III Property, and which are platted as Lots, and additional HOA Lots properly constituting a portion of the Phase II Property and the Phase III Property, shall be annexed to the property covered by this Declaration by Declarant without the approval or consent of the Association or its Members at any time prior to the date the rights and authority granted to "Declarant" hereunder vest in the Association pursuant to Section 7.14 hereof. Any such annexation shall specifically describe and identify which portions of the annexed property are Lots and which portions are Common Areas. Any annexation to this Declaration other than by Declarant shall comply with the requirements to amend this Declaration as set forth in Section 7.12 hereof. Any annexation authorized by this Section shall be made by recording a Supplementary Declaration of Covenants, Conditions and Restrictions with respect to the annexed property which shall extend the provisions of this Declaration to such property, provided that such Supplementary Declaration may include additional provisions or amend the provisions of this Declaration as necessary or appropriate to extend the general plan and scheme of development as evidenced by this Declaration to the annexed property.

Section 7.14 Rights of Declarant. All rights and authority granted to "Declarant" hereunder shall continue until the earlier to occur of (a) March 1, 2025, or (b) the date Declarant and its assigns no longer own any portion of the Phase I Property, Phase II Property or Phase III Property. On such earlier date, all rights and authority granted to "Declarant" hereunder shall vest in, and thereafter be exercised by, the Association, except for rights and authority, which by their terms cease to exist hereunder on or prior to such date. Declarant may assign any or all of its rights and authority as "Declarant" hereunder to any person or entity by written instrument of assignment duly recorded in the Real Property Records of Williamson County, Texas, a copy of which shall be delivered to the Board. Conveyance of a property interest by Declarant alone shall not constitute an assignment of Declarant's rights and authority as "Declarant" hereunder.

Section 7.15 No Warranty of Enforceability. While the Declarant has no reason to believe any of the restrictive covenants or other terms or provisions contained in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty as to the present or future validity or enforceability of any such restrictive covenants. Any Owner acquiring a Lot in the Property in reliance on one or more of such restrictive covenants, terms or provisions shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant, the Association and the Committee harmless there from. The Declarant, the Association and the Committee shall not be responsible for the acts or omissions of any individual, entity or other Owners.

Section 7.16 Right of Enforcement. The failure of Declarant or the Association to enforce any provision of this Declaration shall in no event subject Declarant or the Association to any claims, liability, costs or expense; it being the express intent of this Declaration to provide Declarant and the Association with the right (such right to be exercised at its sole and absolute discretion), but not the obligation to enforce the terms of this Declaration for the benefit of any Owner(s) of any Lot(s) in the Subdivision.

Section 7.17 Universal Easements. The Owner of each Lot (including Declarant so long as Declarant is the Owner of any Lot) is hereby granted an easement not to exceed two (2) feet in width over all adjoining Lots and HOA Lots for the purpose of accommodating any encroachment or protrusion due to engineering errors, errors in original construction, surveying, settlement of shifting of any building, or any other cause. There shall be easements for the maintenance of said encroachment, protrusion, settling or shifting; however, in no event shall an easement for encroachment or protrusion be created in favor of an Owner or Owners of said encroachment or protrusion occurring due to willful misconduct of Owner or Owners.

In addition, the Owner of each Lot is hereby granted an easement for minor encroachments, not to exceed three (3) feet in width by overhanging roofs and eaves as originally, constructed over each adjoining Lot and/or the HOA Lots and for the maintenance thereof. Each of the easements hereinabove

referred to shall be deemed to be established upon the recordation of this Declaration and shall be appurtenant to each affected Lot and shall pass with each conveyance of said Lot.

EXECUTED on the _____ day of _____ 2004.

BON TERRE-B, LTD., a Texas limited partnership

By: WJH Corporation, a Texas corporation, its
general partner

Address of Declarant:
1445 Ross Avenue
Suite 5400
Dallas, Texas 75202-2785

By: _____
Walter J. Humann
President

Address of the Committee:
3816 Bryn Mawr
Dallas, Texas 75225

DEVELOPER
By: _____
Joel H. Robuck, President
Berkshire, Inc.

With Copy to:

Joel H. Robuck
3816 Bryn Mawr
Dallas, Texas 75225

Address of the Association:
1445 Ross Avenue
Suite 5400
Dallas, Texas 75202-2785

THE STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me this _____ day of _____, 2004
by Walter J. Humann, President of WJH Corporation, a Texas corporation, on behalf of such corporation
in its capacity as general partner of Bon Terre-B, Ltd., a Texas limited partnership.

Notary Public in and for the State of Texas

My Commission Expires:

Print Name of Notary:

THE STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me this _____ day of _____, 2004
by Joel H. Robuck in the above-stated capacity.

Notary Public in and for the State of Texas

My Commission Expires:

Print Name of Notary:

FileServer: CLIENTS:Lake Forest:AmendRestatDecl11-04.doc

State of Texas §

County of Williamson §

Lake Forest Community
Round Rock, Texas
Lake Forest I, II, and III

**Declaration of Covenants, Conditions, and Restrictions
Second Amendment (January, 2003)**

The Declaration of Covenants, Conditions, and Restrictions (“Declaration”) of the Lake Forest community in Round Rock, Texas was adopted June 12, 2000 by Bon Terre-B, Ltd., a Texas limited partnership, and by Joel H. Robuck, President, Berkshire, Inc. This Declaration is recorded in Document #2000043227 of the Official Public Records of Williamson County, Texas. The First Amendment to the Declaration was filed September 12, 2002 in Document #2002070055 of the Official Public Records of Williamson County, Texas. The term “Declaration” shall refer to the original Declaration and all amendments.

Article 7, Section 7.12 of the Declaration describes permissible methods for amending the Declaration, and the requisites for amendment have been met. Declarant, Bon Terre-B, Ltd., a Texas limited partnership, pursuant to its authority under Article 7, Section 7.12(a) of the Declaration, makes these amendments in furtherance of the general plan and scheme of development, and the language of this amendment shall control to the extent of any conflict with the original Declaration.

Article V, Section 5.2, “Procedure for Approval,” is hereby amended as follows:

The last sentence of the second sub-paragraph of Section 5.2, which states “If the Committee fails to approve or disapprove such plans and specifications within 15 days after the date of submission, written approval of the matter submitted shall not be required and compliance with this Section 5.2 shall be deemed to have been completed.” is deleted in its entirety and replaced with the following language:

“If the Committee fails to approve or disapprove the plans and specifications submitted in accordance with Article V within 30 days after the date of the Committee’s receipt of such plans, or for plans and specifications for the construction of a Residence, within 60 days after the date of the Committee’s receipt, the plans shall be deemed disapproved. Persons submitting plans and specifications are strongly encouraged to obtain written confirmation of the Committee’s receipt of such plans and specifications. The Committee shall act with good faith and due diligence in attempting to review and either approve or disapprove all submitted plans and specifications to the extent reasonably possible within the above-described time periods. The Committee has the sole discretion and authority to approve or disapprove submitted plans and specifications, and all Committee decisions shall be final.”

Article V, Section 5.7, “Required Approval Process for Owners and Builders,” is hereby added to read as follows:

The Committee shall have the responsibility and the authority to review and approve a specific homebuilder selected by an Owner to build a Residence on the Owner's Lot. In addition to other requirements noted herein, the Owner shall be required to provide the following documentation to the Committee for review and approval or disapproval prior to any construction on a Lot:

6. Name and ownership of the builder
7. Specific locations where builder is building homes in the Austin area
8. Price range of new homes built by builder in the Austin area
9. History of the builder in the Austin area (length of time in business; previous building businesses, etc.)
10. Specific addresses of residences similar to requested Lake Forest Residence

The Committee shall consider the required documentation, as well as any additional documentation and information Owners choose to submit, in the review and approval and/or disapproval of the builder. The Committee shall have the responsibility and authority to approve or reject the requested builder, based on the sole discretion of the Committee. The Committee may in its discretion maintain a list of pre-approved builders. If the proposed builder is on the list of pre-approved builders, the requisites of Section 5.7 may be met by the Owner's written notice to the Committee of the name of the builder, and the Committee's subsequent written confirmation to the Owner that the builder is pre-approved. The Owner must obtain either (1) such pre-approval notice from the Committee or (2) the Committee's written approval of the builder before the Committee will review proposed construction plans.

Article V, Section 5.8, "Required Approval Process for Residence to be Built by New Builder," is hereby added to read as follows:

If the Committee approves the builder, the Committee has the responsibility and authority to review and approve or disapprove the documentation required by Article V for the Residence to be constructed by the builder on the Lot. Such documentation must be submitted to the Committee and the Committee's written approval must be received prior to any construction commencement. In addition to documentation required by Section 5.2 and other sections herein, submittal Residence documentation must include, but is not limited to:

1. Plot plan of the specific Lot and Residence
2. Complete set of Residence construction plans
3. Complete set of all four (4) Residence outside elevations
4. Complete Residence Specifications List for all external and internal finish materials, including trim, cabinets, hardware, plumbing fixtures, kitchen appliances, windows, doors, molding, garage doors, roof materials, exterior materials, wallpaper, paint, air conditioned living area, landscape plan, fence plan
5. Other documentation reasonably requested by the Committee

Executed and effective this _____ day of _____, 2003.

Bon Terre-B, Ltd., a Texas limited partnership

By: WJH Corporation, a Texas corporation,
its general partner

By: _____
Walter J. Humann, President

State of Texas §
 §
County of _____ §

This instrument was acknowledged before me on the _____ day of _____, 2003
by _____, in the capacity stated above.

Notary Public in and for the State of Texas

Developer

By: _____
Joel H. Robuck, President, Berkshire, Inc.

State of Texas §
 §
County of _____ §

This instrument was acknowledged before me on the _____ day of _____, 2003
by _____, in the capacity stated above.

Notary Public in and for the State of Texas

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank One, Texas, National Association, a national banking association, the holder of a lien on the Phase I Property, the Phase II Property, and the Phase III Property pursuant to a Deed of Trust dated September 10, 1999, recorded under Clerk's File No. 199961933 of the Real Property Records of Williamson County, Texas, hereby consents to the execution and recordation of this January, 2003 Second Amendment to the Declaration ("Amendment") by Declarant and subordinates the lien of such Deed of Trust to the terms and provisions of this Amendment, it being agreed that the Declaration and this January, 2003 Second Amendment to the Declaration shall survive foreclosure of the lien of such Deed of Trust and that any sale of the Property at foreclosure will be made subject to this Declaration.

Bank One, Texas, National Association
a national banking association

By: _____
Dale W. Renner
Vice President

State of Texas §
 §
County of _____ §

This instrument was acknowledged before me on the _____ day of _____, 2003
by _____, in the capacity stated above.

Notary Public in and for the State of Texas

After recording, please return to:
Niemann & Niemann, L.L.P.
1122 Colorado St., Suite 313
Austin, Texas 78701

FileServer:CLIENTS:LakeForest:2ndDeclarAmend.doc

State of Texas §

County of Williamson §

Lake Forest Community
Round Rock, Texas
Lake Forest I, II, and III

**First Amendment to Amended and Restated
Declaration of Covenants, Conditions and Restrictions**

The Declaration of Covenants, Conditions, and Restrictions (“Declaration”) of the Lake Forest community in Round Rock, Texas was adopted June 12, 2000 by Bon Terre-B, Ltd., a Texas limited partnership, and by Joel H. Robuck, President, Berkshire, Inc. This Declaration and all subsequent amendments were replaced and superceded by the Amended and Restated Declaration of Covenants, Conditions and Restrictions filed of record in document 2005010217 of the Official Public Records of Williamson County, Texas (together with all subsequent amendments, the “Declaration”).

Article 7, Section 7.12 of the Declaration describes permissible methods for amending the Declaration, and the requisites for amendment have been met. Declarant, Bon Terre-B, Ltd., a Texas limited partnership, pursuant to its authority under Article 7, Section 7.12(a) of the Declaration, makes these amendments in furtherance of the general plan and scheme of development, and the language of this amendment shall control to the extent of any conflict with the original Declaration.

Article I, Section 1.3, “Association,” is hereby amended to read in its entirety as follows, and all references to the Association in the Declaration shall refer to the named entity in Section 1.3:

Section 1.3 “Association” shall mean and refer to COMMUNITY HOMEOWNERS ASSOCIATION OF LAKE FOREST, INC., a Texas non-profit corporation, its successors and assigns.

Executed and effective this _____ day of _____, 2005.

Bon Terre-B, Ltd., a Texas limited partnership

By: WJH Corporation, a Texas corporation,
its general partner

By: _____
Walter J. Humann, President

State of Texas §
 §
County of _____ §

This instrument was acknowledged before me on the _____ day of _____, 2005 by _____, in the capacity stated above.

Notary Public in and for the State of Texas

Developer

By: _____
Joel H. Robuck, President, Berkshire, Inc.

State of Texas §
County of _____ §

This instrument was acknowledged before me on the _____ day of _____, 2005
by _____, in the capacity stated above.

Notary Public in and for the State of Texas

After recording, please return to:
Niemann & Niemann, L.L.P.
1122 Colorado St., Suite 313
Austin, Texas 78701

FileServer:CLIENTS:LakeForest:DeclAmendAssnName.doc

State of Texas §
County of Williamson §

Lake Forest Community
Round Rock, Texas
Lake Forest I, II, and III

**Declaration of Covenants, Conditions, and Restrictions
First Amendment (September, 2002)**

The Declaration of Covenants, Conditions, and Restrictions (“Declaration”) of the Lake Forest community in Round Rock, Texas was adopted June 12, 2000 by Bon Terre-B, Ltd., a Texas limited partnership, and by Joel H. Robuck, President, Berkshire, Inc. This Declaration is recorded in Document #2000043227 of the Official Public Records of Williamson County, Texas.

Article 7, Section 7.12 of the Declaration describes permissible methods for amending the Declaration, and the requisites for amendment have been met. Declarant, Bon Terre-B, Ltd., a Texas limited partnership, pursuant to its authority under Article 7, Section 7.12(a) of the Declaration, makes these amendments in furtherance of the general plan and scheme of development, and the language of this amendment shall control to the extent of any conflict with the original Declaration.

Article 1, Section 1.1 is amended to add the following phrase to the end of the section:

“The HOA Lots” may also be referred to as the “Common Area.”

Article 3, Section 3.5 is deleted in its entirety and replaced with the following language:

“Section 3.5. Date of Commencement of Regular Assessments. The Regular Assessments provided for herein shall commence with respect to each Lot on either (1) the date of conveyance of the Lot in question to an Owner intending to use the Residence constructed on the Lot as a home; or (2) at a date determined by Declarant, whichever earlier. (For example, Declarant may notify builders owning Lots that those Lots must pay assessments beginning on a date established by Declarant.)

Article 3, Section 3.7 is amended by deleting the first paragraph in Section 3.7 (beginning with the words “Any assessment or initiation fee” and ending with the words “with respect to any Lot.”) and substituting the following language:

“Section 3.7. Remedies of the Association. Any Assessment, Initiation Fee or other sum due under the declaration, bylaws, or rules not paid within 30 days after the due date shall be delinquent and, at the Board’s discretion, may bear interest from the due date at the rate of 18% per annum, but in no event in excess of the maximum rate permitted by applicable law, and/or the Board may impose late fees and collection fees/charges for any unpaid amounts due the Association. Such Assessment, Initiation Fee, or other amount due and all interest and costs of collection, including administrative costs of the association and reasonable attorneys fees and any late fees adopted by the board shall be secured by a lien upon the Owner’s Lot to which such Assessment, Initiation Fee or other costs relate, which lien (1) shall be superior to all other liens and charges against such property, except only for ad valorem tax liens and all sums unpaid on a bona fide mortgage lien or deed of trust lien of record, and (2) shall be coupled with a power of sale in favor of

the association entitling the association to exercise the right of non-judicial foreclosure sale and the other rights and remedies afforded under Chapter 51 of the Texas Property Code, as amended. It is expressly intended that by acceptance of a deed or other form of conveyance to a Lot within the property, each Owner acknowledges that title is accepted subject to the lien provided for herein, which shall be deemed to be an express contractual lien and shall be superior to any defense of homestead or other exemption, the lien having been created prior to the creation or attachment of any homestead right with respect to any Lot.” [The second paragraph of Section 3.7 remains unchanged.]

Article 3, Section 3.7 is hereby amended to add an additional sub-paragraph at the end of the section to read as follows:

“All monies received from an Owner may be applied first to non-assessment obligations of the Owner, such as fines, late charges, returned check charges, damages, etc., regardless of notations on checks or any instructions otherwise.”

Article 4, Section 4.2 is deleted in its entirety and replaced with the following language:

“Section 4.2. Residential Use. The Property and all Lots shall be used for single-family residential purposes only, except that a Lot may be used by a homebuilder for a model home or as a temporary parking lot adjacent to a model home. Subject to other provisions of this Declaration governing use of the common area and use by the Declarant, no part of the property may be used for purposes other than housing and related, non-commercial purposes for which the property was designed. No other uses are permitted by this Declaration. Owners may not allow employees of Owner or a business with which Owner is associated (other than household domestic servants or persons related to the Owner by blood, adoption, or marriage) to live in the house. Owners may not manufacture or prepare on the property any tangible products for off-premises use or consumption. The foregoing restrictions as to use for residential purposes shall not, however, be construed in such manner as to prohibit a homeowner from:

1. Maintaining his personal, professional library;
2. Keeping his personal business or professional records or accounts, provided that such records are kept by a resident of the house and not a third party coming and going from the house on a regular basis;
3. Handling his personal and professional business involving only professional telephone calls, computer work, correspondence, and mail. The foregoing does not permit personal or professional business involving deliveries to or from a home (other than mail service typical of residential use), visits of customers, clients, patients, vendors, or other business visitors to or from the Owner’s home or common areas; or
4. Renting or leasing an Owner’s home in strict compliance with the Declaration, bylaws, and rules (community policies);

No building shall be erected, altered, placed, or permitted to remain on any Lot other than one Residence per Lot not exceeding two stories in height with a private garage as provided below. Each Residence shall be constructed in conformance with minimum FHA and VA standards.”

Article 4, Section 4.3 is deleted in its entirety and in its place the following language is substituted:

“Section 4.3. Single Family Use. Each Residence may be occupied by only one family consisting of persons related by blood, adoption, or marriage or no more than three unrelated persons living and cooking together as a single housekeeping unit, together with any household servants. However, in no event shall a residence be occupied by more than three times the number of bedrooms in the residence. For example, no more than nine people may reside in a three-bedroom home. For the purposes of this section, the word “bedroom” shall mean only the traditional use of the term – living areas such as game rooms, living rooms, dens, kitchens, breakfast rooms, enclosed patios, or any similar room shall not be considered a bedroom.”

Article 4, Section 4.7(B) regarding “vehicle storage” is deleted in its entirety.

Article 4, Section 4.7(D) entitled “Vehicle Parking” is deleted in its entirety and replaced with the following language:

“(D) Vehicle Parking. Parking of vehicles, motorcycles, bicycles, trailers, or any motorized vehicle in grass areas, dirt areas, flowerbeds, or sidewalks is prohibited. Owners and occupants must park vehicles in their respective garages or off-street parking areas on their Lots. Owners may not store any items in their garage that prevent parking of vehicles in the garage. No homeowner or occupant may park, store, operate, or keep within or adjoining the property any commercial or commercial-type vehicle (including vehicles with commercial markings/lettering), vehicle longer than 19 feet, motorcycles, motorbikes, motor scooters, Recreational Vehicles (e.g. camper unit, motor home, trailer, boat, mobile home, golf cart), or other similar vehicles, unless same is kept solely within the garage of such Owner’s home. No vehicle may be used as a residence or office temporarily or permanently while on the Property. Garage doors must be kept closed except when necessary for exiting, entering, and repairs. No one may park vehicles in the amenities (including pool and tennis court) parking lot overnight or when not using the amenities. Bicycles and similar items may not be stored outside a dwelling or on balconies or patios or in a manner visible from a street.

Notwithstanding any other language to the contrary in this Declaration, this Declaration shall not prevent temporary parking, for no longer than 12 hours in any seven-day period, of a Recreational Vehicle in view on an Owner’s Lot if such parking is in the course of loading or unloading for recreational purposes.

(b) No vehicles may be parked or unattended in such a manner as to block the passage of other vehicles on the roadways throughout the property or in front of driveways to the Lots. No vehicles shall be left parked and unattended in such a manner as to prevent the ingress or egress of emergency vehicles or service vehicles (for example, garbage trucks). No inoperable vehicle may be parked on the Property (including the streets) except within an enclosed garage.

(c) Motorcycles and bicycles may not be parked on balconies or patios visible from the street or common area. Bicycles must be stored inside a dwelling or garage or otherwise not in view from a street or common area.”

Article 4, Section 4.7(f) entitled “Yard Screening” is deleted in its entirety and replaced with the following language:

“(s) Yard Screening. The drying, airing, or other hanging of clothes, rugs, or other such items anywhere other than inside a Residence is prohibited. The Owners and occupants of any Lot such as those Lots at the intersections of streets or adjacent to parks, playgrounds, or other facilities where the rear yard is visible to public view shall install a suitable enclosure to screen from public, street-level view equipment which is incidental to normal residences such as yard equipment and storage piles.”

Article 4, Section 4.7(l) is deleted in its entirety and replaced with the following language:

“(l) *Antennas and satellite dishes.* The following antennas and satellite dishes are not permitted:

- antennas or dishes that only transmit signals;
- antennas or dishes that interfere with reception of video signals by other homes;
- antennas or dishes mounted on roofs or buildings;
- antennas or dishes in common areas; and
- dishes greater than one meter in diameter.

Unless prohibited above, an antenna or satellite dish may be installed only: (1) inside the attic, garage or living area of a home; or (2) outside in the back yard or side yard of a home. However, the Committee may in its discretion allow antennas or dishes to be mounted on the back half of a roof (the portion of the roof furthest from the street). Outside installation is allowed only if the plans and specifications for location, attachment, safety and screening are approved in writing by the Committee for compliance with the following standards:

The antenna or satellite dish must:

- be properly bolted and secured in a workmanlike manner;
- be located behind the home or behind a solid wall, fence or perennial landscaping in the side yard or back yard of a home;
- be screened by the above fence or landscaping, to the greatest extent reasonably possible, in order to prevent the antenna or dish from being seen from any street, common area or neighboring home;
- be no higher than the fence or landscaping that is screening it from view; and
- not be located within any building setback lines as defined by the City of Round Rock.

The unit Owner is liable for all damages to association property, personal property, animals and persons caused by the Owner’s installation of an antenna or dish.

These location, installation and screening requirements are based on aesthetics, non-interference with reception by neighbors, preservation of property values and safety, including avoidance of injury or property damage from improperly installed or otherwise dangerous antennas or dishes.”

A new sub-section is added under Article 4, Section 4.7 of the declaration to read as follows:

“(z) Leasing. No home may be leased for hotel or transient purposes or for less than 30 days. All leases must be subject to the declaration, bylaws, and

rules of the association. The association shall have the authority to evict tenants of Owners after reasonable notice for substantial or repeated violations of the association’s declaration, bylaws, or rules. The association shall have the authority to enforce all declaration, bylaws, or rule provisions against an Owner’s tenants, including collection of fines for violations of the Declaration, Bylaws, or Rules by the tenant. Owners are liable for all fines levied against their tenants and their tenants guests or invitees. No Owner may lease (for barter or monetary amounts) any part of their home (such as leasing a bedroom to a boarder) with the exception of live-in domestic help for customary residential purposes.”

A new section under Article 4, Section 4.12a, is added to read as follows:

“Section 4.12a. Village III Collingwood Drive Boundary Fence Location. The required Village III boundary fence along the east side of Collingwood Drive shall be installed two feet inside the street right-of-way on the Lot. The required yaupons shall be installed in the two-foot area between the installed masonry fence and the street right-of-way.”

A new section under Article 4, Section 4.12b, is added to read as follows:

“Section 4.12b. Lake Forest II and III, Village III Collingwood Drive Pathway. The Owner shall install a six-foot pathway, instead of the normal sidewalk, along each Lot adjacent to the east side of Collingwood Drive in Lake Forest II Village III and in Lake Forest III Village III.”

A new section, Section 4.13a, is added to read as follows:

“Section 4.13a. Native Tree Preservation. No Lot trophy tree, defined as a native live oak, cedar, elm, or pecan greater than eight caliper inches three feet above the ground will be removed or damaged without the prior review and approval of Declarant, or after Declarant rights end, the Committee.”

A new paragraph is added at the end of Article Five, Section 5.1 to read as follows:

“No exterior or interior addition or alteration shall me made to any Residence which involves removal, addition, or alteration of load-bearing or non-load-bearing walls without the prior written consent of the Committee. Plans for all such work shall be submitted to the Committee in compliance with this Section 5.1. All removals, additions, and alterations must, comply with all applicable governmental regulations, including building code and fire code regulations.”

Article 6, Section 6.1(a) is deleted and replaced in its entirety with the following language:

“(a) The association shall have the right to prescribe rules and regulations from time to time governing and restricting the use of the Property.”

Executed and effective this _____ day of _____, 2002.

Bon Terre-B, Ltd., a Texas limited partnership

By: WJH Corporation, a Texas corporation,
its general partner

By:

Walter J. Humann, President

State of Texas §
 §
County of _____ §

This instrument was acknowledged before me on the _____ day of _____, 2002 by _____, in the capacity stated above.

Notary Public in and for the State of

Texas

Developer

By:

Joel H. Robuck, President, Berkshire, Inc.

State of Texas §
 §
County of _____ §

This instrument was acknowledged before me on the _____ day of _____, 2002 by _____, in the capacity stated above.

Notary Public in and for the State of

Texas

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank One, Texas, National Association, a national banking association, the holder of a lien on the Phase I Property, the Phase II Property, and the Phase III Property pursuant to a Deed of Trust dated September 10, 1999, recorded under Clerk’s File No. 199961933 of the Real Property Records of Williamson County, Texas, hereby consents to the execution and recordation of this September, 2002 First Amendment to the Declaration (“Amendment”) by Declarant and subordinates the lien of such Deed of Trust to the terms and provisions of this Amendment, it being agreed that the Declaration and this September, 2002 First Amendment to the Declaration shall survive foreclosure of the lien of such Deed of Trust and that any sale of the Property at foreclosure will be made subject to this Declaration.

Bank One, Texas, National Association
a national banking association

By:

Dale W. Renner
Vice President

State of Texas §
 §
County of _____ §

This instrument was acknowledged before me on the _____ day of _____,
2002 by _____, in the capacity stated above.

Texas

Notary Public in and for the State of

After recording, please return to:
Niemann & Niemann, L.L.P.
1122 Colorado St., Suite 313
Austin, Texas 78701

FileServer:CLIENTS:LakeForest:DeclarAmend-sw.doc